

Washington D.C. - Today, Congressman Kevin McCarthy joined his colleagues in unveiling the Responsible Homeowners Act. Congressman McCarthy issued the following statement:

“We understand the significant home foreclosure challenges in our own communities. We are all encountering a fierce home foreclosure storm. That is why I worked with my colleagues to come up with a solution to help responsible homeowners in our communities purchase a home or stay in their home. When so many Washington solutions nowadays seem to be focused on how to follow up one bank bailout that reward irresponsible or bad behavior with another, we need to confront our housing problems directly and give our local housing markets a shot in the arm by helping responsible homeowners and would-be homeowners.”

“The Responsible Homeowners Act my colleagues and I unveiled today helps reduce mortgage costs for those homeowners who at no fault of their own are at risk of losing their home through a five thousand dollar refinancing tax credit to help offset the front-end costs towards moving to a more affordable rate.□ Additionally, the bill seeks to stabilize home prices by getting buyers off the sidelines and back into the market through a home-buyers credit up to \$15,000, for all purchases of primary residences provided that the buyer puts at least 5% down. This legislation also includes safeguards to not reward irresponsible and fraudulent behavior, by directing federal law enforcement agencies to combat mortgage fraud.”

“Together, we can work, not as Republicans and Democrats, but as Americans to move forward with this solution to help homeowners and stabilize our communities.”

This legislative solution focuses on keeping distressed homeowners and families in their homes, and lowering costs for all homeowners without rewarding irresponsible behavior. Specifically, the plan would:

- provide a \$5,000 refinancing tax credit to help families cover the costs of a mortgage refinancing, buy down points, or reduce their principal balance
- provide tax incentives for lenders to help lower payments and for borrowers to help compensate lenders with a portion of any future home appreciation
- provide a “safe harbor” from lawsuits by investors for mortgage servicers who engage in specified loan modifications consistent with their statutory duties; and would require

unsuccessful plaintiffs to pay all attorneys' fees and any legal costs incurred by the defendant

- provide a home-buyers credit for all purchases of primary residences up to \$15,000 provided that the buyer puts 5% down, credit will be limited to 10% of purchase price, up to \$15,000.

Click [here](#) for more information.